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FRAUD RESPONSE PLAN

# Purpose

The purpose of this plan is to define authority levels, responsibilities for action, and reporting lines in the event of a suspected fraud or irregularity. The use of the plan should enable the University to:

* + 1. prevent, reduce and recover losses;
		2. investigate the incident, establishing and securing necessary evidence;
		3. undertake appropriate criminal, civil and disciplinary action;
		4. take measures to prevent any recurrence;
		5. notify its funding bodies as required; and
		6. establish and inform communications with staff, the police and the media.

# Initiating Action

Fraud or irregularity may be identified in a number of means, including:

* + 1. through the normal monthly and quarterly financial monitoring processes;
		2. via planned audit work;
		3. from a report made under the University’s Public Interest Disclosure (Whistleblowing) Policy; or
		4. through the requirement placed on all staff by the Financial Regulations to remain vigilant and recognise fraud or irregularity wherever it may occur;

Any suspected incidents must be reported without delay to the Director of Finance, who shall assess the severity of the incident and the risk to the University. If the suspected incident is believed to involve the Director of Finance, it must be reported to the Chief Operating Officer

Where a significant, credible report has been made, the Director of Finance shall notify members of the Vice-Chancellor’s Group and involve the University’s internal auditors. The Vice-Chancellor’s Group will determine what further action is to be taken. This will normally include at a minimum an investigation undertaken by the University’s internal auditors.

# Security Measures

The first priority in any investigation shall be to understand the methods and identities of the perpetrator(s), such that appropriate security measures may be taken.

Where a breach of the University’s physical security measures has occurred, the Director of Estates and Facilities Management shall take such interim action as may be necessary to secure the estate pending investigation.

Where a breach of the University’s information systems has occurred, the Director of Information and Learning Technologies shall take such interim action as may be necessary to secure those systems pending investigation.

In both cases, the interim measures taken must not prejudice or destroy evidence, and must be reported to, and shall be subject to ongoing review by, the Vice-Chancellor’s Group.

Where the initial investigation provides reasonable grounds for suspecting a member or members of staff of fraud, the Vice-Chancellor’s Group may authorise the suspension, with or without pay, of the suspected staff member(s) in accordance with the University’s Disciplinary Policy.

Where action is taken against a staff member, it should be planned to prevent the destruction or removal of relevant evidence. The suspected staff member(s) should be approached simultaneously and unannounced, and should be supervised at all times before leaving the University’s premises. Their digital credentials must be revoked. They should not be allowed to remove any property belonging to the University or which may be or contain evidence of a crime. Any security passes and keys to premises, offices and furniture should be returned.

# Recovery of Losses

The Director of Finance shall ensure that the amount of any loss is quantified and evidenced to support recovery.

Where the loss is substantial, the Director of Finance shall seek advice from the University Solicitor as to:

* + 1. the interim injunctions available to the University to protect its position pending proceedings; and
		2. the recovery options open to the University in respect of the losses suffered (including costs).

Where appropriate, the Director of Finance shall notify the University’s insurers and oversee the management of any available claim.

# Discipline and Prosecution

Where a credible allegation of fraud is made against a member of staff, the University will activate its disciplinary procedures. The University will also normally refer the matter to the police for a criminal investigation.

# Reporting

The Vice-Chancellor shall inform the University’s funding bodies of any incidents as required under their agreements with the University.

All substantial incidents shall be reported without delay by the Vice-Chancellor to the Chairs of the Board of Governors and the Governors’ Audit Committee, and on completion of the relevant investigation and recovery proceedings, a written report shall be submitted to the Audit Committee containing:

* + 1. a description of the incident, including the value of any loss, the people involved, and the means of perpetrating the fraud;
		2. the measures taken to prevent recurrence; and
		3. any action needed to strengthen future responses to fraud (with a schedule for further reporting as actions are taken).

The report will normally be prepared by the Director of Finance, assisted by the University’s internal auditors.

# Review

This plan will be reviewed for fitness for purpose either a) three yearly and b) after each formal activation. Any changes will be reported to the Audit Committee for review and approval.

**Approved by the Vice-Chancellor’s Group:**